

Spotlight

Mayor's Office
for Senior Citizens

A publication
of Seattle's
Human Services
Department

SUMMER 2009

Helping our seniors in a difficult economy

By Greg Nickels, Mayor of Seattle



The national economic downturn has affected everyone in Seattle. We know the conversations taking place around kitchen tables. We understand our businesses are facing difficult times. And as a community, we're very concerned about our neighbors who are struggling to pay for food, housing and health care.

As a city, we're focused on creating and saving jobs, and reaching out to our residents in need. This month's issue of Spotlight is filled with information and tools that you may find useful in this challenging economy. You'll learn about credit scores, mortgages, downsizing and money-saving ideas.

If you live on a limited income, pay your own Seattle City Light or Seattle Public Utilities bill, and aren't receiving a housing subsidy, one of the best "deals" in town is the City of Seattle's Utility Discount Program. This program cuts electricity and water/sewer/garbage bills in half for income-eligible, residential utility customers. The average qualifying household can save more than \$900 each year. You will find more information about this and other programs in this issue of Spotlight.

I hope you find this newsletter valuable. Contact the Mayor's Office for Senior Citizens at **206-684-0500** or **seniors@seattle.gov** if you would like more information on any program or service for older adults in Seattle.

Utility Discount Program

UDP@seattle.gov

www.seattle.gov

www.peoplepoint.info

206-684-0268

To qualify for the Utility Discount Program, you must:

- Have a Seattle City Light or Seattle Public Utilities bill in your name.
- Not receive a Section 8 housing voucher or live in subsidized housing where utility allowances are provided.
- Income eligibility is based on 70 percent of state median income, based on total income of all people living in the household.

Number in Household	Total Monthly Income
1	\$2,302
2	\$3,011
3	\$3,719
4	\$4,427

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*Utility Discount Program
continued from page 1*

PeoplePoint: Bridge to Benefits

206-684-0355

www.peoplepoint.info

The Utility Discount Program, administered by the Mayor's Office for Senior Citizens, assists low- to moderate-income people of all ages to apply for a number of benefit programs — free or reduced-cost child care and preschool tuition, food, and health insurance — all at the same time in the same place. Similarly, our PeoplePoint partners can provide information, assess your eligibility, and help you apply for the Utility Discount Program. Call any one of the following numbers for information about each of the programs listed:

- PeoplePoint: 206-684-0355
- Bank on Seattle-King County: 2-1-1
- Child Care and Preschool: 206-386-1050
- Earned Income Tax Credit: 2-1-1
- Energy and Utility Assistance: 206-684-0268
- Food Assistance: 206-296-4841
- Health Insurance: 206-296-4841
- Seattle Jobs Initiative: 206-628-6975

The self-sufficiency calculator works for everyone

The Self-sufficiency
Calculator
(www.thecalculator.org)

is a free online tool that allows anyone to find out how much it costs to meet the basic needs of his or her unique family and living situation — without financial help or subsidies.



Based on The Calculator's success in Seattle and King County job training employment programs and academic research conducted by Dr. Diana Pearce of the University of Washington, formulas were updated and expanded so that anyone can find information for any area of Washington State. The Calculator offers a realistic picture of income a family requires to meet basic needs.

The Calculator answers such questions as:

- Do I make enough money to cover my family's needs?
- Would it be cheaper to live in a different part of the county?
- Will this job or career path pay enough?
- Am I eligible for food stamps, childcare or tax credits?

"We created this tool to make top research on self-sufficiency useful to anyone in Washington State," said Marléna Sessions, CEO of the Workforce Development Council of Seattle-King County

Unlike other measures of "living wage" or "poverty", the Self-Sufficiency Calculator factors in number and age of children in the household, is based on market-rate costs of living, and includes taxes and tax credits. The Calculator also accesses data on services and subsidies.

"We developed the Calculator because we wanted to measure how well our programs actually helped people become self-sufficient — not just whether we helped them get or keep jobs," said Sessions. "A 'living wage' varies and depends on family needs."

For more information, go to www.thecalculator.org or www.seakingwdc.org or call **206-448-0474**.

Self-Sufficiency Calculator

www.thecalculator.org

The Calculator can help you:

1. Plan and develop career goals so you can work towards a better paying job.
2. Decide if a job you are considering will pay enough to meet your family's needs.
3. Determine if you might be eligible for public benefits that can help with expenses like health care or child care.
4. Test and compare different work or living options and see how they affect your bottom line.

Key facts about the Self-Sufficiency Calculator:

- Free for anyone to use — go to www.thecalculator.org on the Web.
- Uses updated information on the cost of basic needs and shows earnings required for a specific family (i.e., to meet its needs without assistance).
- Calculates the cost of basic needs (i.e., housing, child care, food, transportation, health care, miscellaneous and taxes, including tax credits).
- Takes into consideration any public subsidies the user receives and shows eligible subsidies for individuals and how to access them.
- Shows costs for 70 different family types, based on the number and ages of dependents.
- Any estimated expenses can be modified to reflect the family's real current costs.
- Can be used to test scenarios, such as whether a specific job pays enough to cover family needs or how moving might affect expenses.
- Points toward beneficial programs that may help ease financial burdens.

Benefits CheckUp

www.benefitscheckup.com

Get all the benefits you deserve. Go to www.benefitscheckup.com to find and enroll in federal, state, local and private programs that help pay for prescription drugs, utility bills, meals, health care and other needs. Several levels of information are available:

- **Comprehensive:** Find programs that can help you pay for prescription drugs, health care, meals, utility bills, and more. Typically takes 20–30 minutes.
- **Prescription Drug Assistance:** Find programs that can help you reduce your prescription drug and other health care costs. Typically takes 10–15 minutes.
- **Medicare Rx Extra Help:** See if you're eligible and apply for Extra Help paying for your Medicare prescription drug costs. Typically takes 10–15 minutes.
- **My Medicare Matters:** Find easy-to-understand information about Medicare's prescription drug coverage (Part D) and learn about services Medicare pays for to keep you healthy. Information is also available in Spanish.
- **Senior Housing Locator:** Find senior housing options, including assisted living, residential care, nursing and rehabilitation homes, CCRCs and independent living retirement communities.

Benefits CheckUp is a free, confidential online service. You can access valuable information on your own time, in your own space. It may be the most beneficial 30 minutes you use this year.

Improve your credit reports and credit scores

by Renee Taylor, Pacific Associates



Most people know that credit reports and credit scores are important to lenders. Credit scores and other information listed on credit reports help the lender determine interest rates, terms of credit or loans, and whether or not credit is extended to the borrower.

But many people try not to think about their credit scores because they know that low credit scores mean loans may not be approved or interest rates will run higher. The truth is that higher credit scores lead to better credit and loan approval.

While it is not possible to remove accurate negative information before it drops off credit reports, the following suggestions can improve your credit reports:

- **Pay on time, every time:** A commitment to never make a late payment is the most powerful step you can take to improve your credit ratings.
- **Reduce debt load:** Even if payments are never missed or late, a large debt lowers credit scores. Develop a plan to reduce your debt. For assistance, contact credit unions or banks. They can provide access to services that can help set up an effective spending and savings plan, and determine options for efficient debt repayment.
- **Pay collection accounts:** If collection accounts are on credit reports, pay these accounts to give credit scores a quick boost. Request payment arrangements for balances that cannot be paid in full. Make sure agreements are confirmed with a letter.
- **Limit open accounts:** Having two to four open, unsecured credit accounts is usually perceived as a good number. Too much available credit appears risky to a lender. No or low balances today, can easily be turned into deep debts tomorrow, especially if spending sprees occur.
- **Keep old accounts:** Accounts held for two years or more show credit history, which indicates stability. Creditors have only limited information to base decisions on new accounts.
- **Avoid “maxing out” accounts:** Keep balances no more than 60 percent of the limit on revolving credit. High balance-to-limit ratios represent higher risk because it gives the impression that a borrower is applying for new credit to take the place of the “maxed out” account.
- **Avoid balance transfers:** While transferring balances to “teaser rate” cards can efficiently get people out of debt, it has a detrimental effect on credit scores. Accounts are new, and likely to have balances close to the limit in order to maximize the advantage of the low rate — these two factors that can lower scores. However, if the goal is to get out of debt, a lower interest rate helps repay balances faster and for less money.
- **Avoid excess credit applications:** Each time you apply for credit, your credit scores decrease a bit. Too many applications can damage credit, so only seek loans and credit that you need.

For more information, call **206-779-3254** or e-mail rtaylor@pacassoc.com.

Updating your will

by Paulette Peterson, King County Bar Association
Guardianship & Elder Law Section

While many people recognize that it is important to make a Will, the task of completing it frequently remains low on the list of priorities. Even when completed, often a Will is never reviewed.

An outdated Will can be almost as bad as no Will at all. A Will is a legal document that states what a person (testator) wants to happen to his or her property at death. It can also assist in limiting the amount of money spent on taxes and fees. Without a Will, state law determines the ultimate beneficiaries of a person's estate.

A Will should always be reviewed upon the occurrence of certain events such as the death of a spouse, marriage or divorce, addition of children or grandchildren, relocation to another state, an increase or decrease in assets, or a change in tax laws. Even without the occurrence of some events described above, Wills should be reviewed every three to five years to insure that it still meets the testator's desired goals.

Individuals should review their Wills to make sure:

- Their desires are not changed.
- Asset distribution is clear.
- Personal Representatives can perform their duties.

Wills should also be reviewed because intended beneficiaries may become married, divorced or die. All of these suggestions can influence decisions for the beneficiaries.

Many people try to avoid the need for a Will by holding property jointly with their children. The idea is the property passes directly to the children upon death. While this may seem easier than creating a Will, it can create problems, in that one child may inadvertently be left more or less than another.

Consider the example of an individual with two children — both of whom she wishes to treat equally. One child resides nearby and the other

lives out of state. In an attempt to simplify things upon death, the parent decides to set up two equal accounts that are payable on death, one to each child. The parent then becomes quite ill and the local child pays bills from the account on which he is a signor, and payable on death designee. When the parent dies, the local child's account is greatly reduced, while the other account remains the same. The two children do not receive an equal share of the estate. While there are methods to correct this oversight after death, they are not foolproof and result in more costs.

Even if the property may not seem to amount to much, it can mean a lot to loved ones. A legal document (a Will) can spell out desires and give everyone peace of mind.

For more information, call **425-855-9293** or go to www.pepetersonlaw.com.



Struggling to make ends meet?

Learn new collection relief and debt strategies

by Melissa Mitchell, Senior Services/Senior Rights Assistance

In today's economic times, many seniors struggle to make ends meet. Faced with limited income and mounting debt, it is increasingly difficult to ensure that basic needs are met.

Knowing what constitutes a basic need is important to prioritizing monthly financial obligations. Basic needs are food, shelter, clothing, and access to health care and social services. No one should ever feel guilt or shame about purchasing food or other basic needs.

Unfortunately, many seniors find themselves in a precarious financial position each month. They go without basic needs and pay monthly bills out of a deep sense of responsibility. While it is important to honor obligations, unexpected things happen and some seniors find themselves short of money. There are options. Seniors can deal with debt collectors when they know their rights.

Information and support are available, but the best and the most reliable form of support is awareness. It is imperative to:

- Access annual credit reports
- Become aware of monthly expenses and income
- Prioritize bills and basic needs
- Purchase items with cash whenever possible

Seniors who are struggling financially and whose only form of income is from exempt sources such as Social Security might be "collection proof," with financial relief within reach.

What is Collection Proof?

Certain forms of income cannot be garnished by creditors, even if someone's creditor gets a court judgment against them. Examples of income that usually cannot be garnished are TANF, GAU, SSI, SSDI, SSA, food stamps, child support and various private pensions. In addition, only part of net wages can be garnished —

in 2009, net wages are exempt from garnishment up to either \$196.50 per week or 75% of net wages, whichever is greater.

Collection Proof means income is protected from garnishment and there are no assets — house or property — with which to pay debts. If money in bank accounts came from exempt sources, it may be exempt as well.

If someone owes child support debts, tax debts or certain other claims by the state, or judgments for any part of the purchase price of personal property, these may not be Collection Proof.

To inform third party debt collectors of Collection Proof status, send a certified letter to the debt collector that includes the information below.


Collection Proof Letters

The following information should be included in your certified "Collection Proof" letter to a debt collector:

- Name, address and collections account number, and date the letter.
- Sources of income.
- A statement that you are exercising your rights under the Fair Debt Collection Practices Act.
- A description why income is exempt from garnishment.
- A request that creditors stop calling and writing.

Be very cautious about affirming any debt. If a person agrees to pay a debt that was discharged in bankruptcy or is too old to collect, the debt may be reaffirmed and owed all over again.

A sample letter can be found online at www.seniorservices.org. For more information or assistance in preparing a letter, call **Senior Rights Assistance** at **206-448-5720** or go to www.seniorservices.org.



How to live cheap but good!

Following are a few money-saving ideas provided by Mayor's Office for Senior Citizens staff and friends:

- Buy products like soap, cereal and toilet paper in bulk, and split costs with friends, neighbors, and family members
- When dining out, go early and take advantage of "happy hour" prices on appetizers instead of ordering an entree
- Watch for punch cards and birthday specials at local restaurants
- Download free books, movies and music from Seattle Public Library without leaving home (www.spl.org)
- If age 60+, request a Gold Card for Healthy Aging from the Mayor's Office for Senior Citizens

Legal and Financial Resources

- **Senior Rights Assistance:** Call **206-448-5720** to speak with a Consumer Debt Specialist who provides information, support, and resources on debt issues.
- **Washington Law Help:** Go to www.washingtonlawhelp.org on the Web, and click on "Consumer & Debt".
- **Federal Trade Commission:** Go to www.ftc.gov on the Web, and click on "Credit & Loans".
- **King County Bar Association Neighborhood Legal Clinics:** Call **206-267-7070** (Monday–Thursday, 9 a.m.–12 noon) to make an appointment with a volunteer attorney for advice and consultation only.
- **CLEAR*Sr:** King County residents who are 60 or older can call the Coordinated Legal Education, Advice and Referral (CLEAR) system at **1-888-387-7111** to speak with an attorney, regardless of income.
- **2-1-1 Community Information Line:** King County residents under age 60 can call the 2-1-1 during normal business hours for information and referrals to legal services.

for free admission to the Aquarium and Zoo (www.seattle.gov/seniors)

- Usher for arts and cultural organizations that offer volunteers free admission
- Enjoy free noontime concerts at City Hall (600 4th Avenue), scheduled every other Thursday throughout the year (Seattle Presents, **206-684-7171** or www.seattle.gov/arts)
- Get free dial-up Internet access through **NoCharge.com**
- Earn or buy an inexpensive rehabbed computer system at InterConnection (www.InterConnection.org)
- Enroll in Lifelong Recreation fitness and social program for people age 50+ at your nearest Seattle Parks and Recreation community center
- Enroll in up to two courses each quarter (either audit or credit) at any of Seattle's community college campuses for a fee of only \$5.00 per class, if you are age 60+
- Get a free smoke alarm installed by the Seattle Fire Department if you live in the city of Seattle; own and live in your home; and live on a low income, are a senior citizen, or have a qualifying disability (**206-386-1337** or fireinfo@seattle.gov).
- Learn to ride the bus with support from HopeLink's Bus Buddy Program (**425-943-6769** or www.hope-link.org/gethelp/busbuddy).

How do you live "cheap but good"? E-mail your money-saving ideas to the Mayor's Office for Senior Citizens at seniors@seattle.gov to share with Spotlight readers through future issues.



Tips for successful downsizing

by Eric Rovner, Benevia

Downsizing a family home can be a physically exhausting and emotionally draining experience. In many cases, possessions accumulate over many years and not everything can be moved. What results is the need to sift, sort, donate, and dispose of a variety of personal items.

The following list provides a strategy from start to finish for that seemingly overwhelming task of downsizing. Following this schedule provides a pleasant surprise — the final results liberate and leave people better prepared for the next chapter in their lives.

- **Plan:** Create a plan complete with goals, timelines, and people involved. Plan the work and work the plan.
- **Pace:** Start early and divide the work into achievable parts. Reward yourself along the way.
- **Floor planning:** Whether an individual plans to move or age in place, create a floor plan. Identify current furnishings you need and either sell, give away, or donate other items.
- **Family and friends:** Identify what to give to family and friends. Put colored stickers on each item. Encourage recipients — come and get it! Don't wait for next week or next month.
- **Clothing:** Go through all closets. Donate or discard things that do not fit, are out of style, or are thread worn.
- **Kitchen and tools:** Eliminate duplicates. Keep only one of everything that is needed. Discard the rest, especially excess food-storage containers.
- **Sell:** Consider an estate or garage sale. Be sure enough items are available to net a profit. This makes the effort of a sale worthwhile. Organize the sale with family and friends, or hire a professional (who will take a percentage of the profit).



Before...



After!

- **Creative donating:** Consider making a tax deductible donation to specific charitable organizations; for example, donate a worn couch to a women's shelter; donate books to the local library sale; offer clothing to the Red Cross for fire victims; or give old instruments to a school music program.
- **One room at a time:** Plan to sort items for no longer than two hours at a time. The process of revisiting memories and making decisions about cherished items can be emotionally difficult. Take regular breaks to allow for time to digest the process. This alleviates feeling overwhelmed and helps with better decision making.
- **Have fun:** Spend time with family and friends, share memories, laugh (and cry) together. It's therapeutic. Don't try to do it alone.

In general, the more planning and organizing done up front, the quicker it is to settle into a new lifestyle and focus on other projects.

Benevia is a phone-based concierge service, coordinating the complex life transitions faced by older adults and their families. We ease the emotionally taxing and overwhelming nature of such transitions by creating a master transition plan, coordinating highly qualified service providers and staying involved to achieve successful outcomes. Call Benevia at **1-888-BENEVIA (1-888-236-3842)** or go to www.benevia.com.

Reverse mortgages—how do they work?

by Erin Rearden, Solid Ground

Seniors Phil and Joan have lived in their home for 30 years. For years, they have watched their home equity grow while their income remains fixed and their expenses increase. They are “house rich and cash poor”. Equity from their home could change their circumstances but neither Phil nor Joan wants to take out a loan that they can’t afford or sell their house. They heard about reverse mortgages and scheduled an appointment with a counselor to see if this might be an option for them.

Reverse mortgages allow homeowners who are 62 and over to access a portion of their home’s equity while they live in the home. The amount available depends on the value of the home, the age of the youngest borrower and the current interest rates. All loans and liens must be paid off with the reverse mortgage.



Borrowers can use the available funds in whatever way they choose. They can receive funds as a line of credit, a monthly payment, or a lump sum, or any combination. Funds are considered an asset, not income, and are not taxable. These funds may impact eligibility for some needs-based programs and long-term care benefits.

Payments are not required on the loan provided that one borrower remains in the home. The borrowers’ principal residence must be the home. Borrowers are responsible for property taxes, insurance and home maintenance. The home must meet basic HUD property standards before borrowers can receive the loan.

Borrowers are required to schedule an in-person or phone counseling session with an approved agency before they obtain a loan. Counseling

does not obligate a borrower to obtain a reverse mortgage. Counseling sessions cover the pros and cons of reverse mortgages, available options, financial implications and impact on the borrower’s estate and heirs. Counselors cannot advise on loan types or lenders. Most counseling agencies charge a fee for this service (up to \$125).

To locate a counselor, contact the US Department of Housing and Urban Development at **1-800-569-4287** or go to www.hud.gov/offices/hsg/sfh/hecm/hecmabou.cfm.

For more information, AARP members can call **1-800-209-8085** or go to www.aarp.org/money/personal/reverse_mortgages/.


Reverse Mortgages

Pros:

- Pays off any all loans and liens
- Access to equity without selling or payments
- Can never owe more than what home is worth

Cons

- Closing costs are high
- Could leave the home with no equity
- Most loans have adjustable interest rates



2009 Mayor's Office for Senior Citizens **COFFEE HOURS**

3rd Thursdays from 10 to 11 a.m.

Join us for coffee and conversation!

Join us for a stimulating conversation about City of Seattle services with the people who help to shape policies and programs.

Dates and speakers are subject to change.

Following every coffee hour, enjoy a free non concert nearby at City Hall (600 - 4th Avenue).

- September 17: **Ray Hoffman**, Seattle Public Utilities
- October 15: TBD
- November 19: **Holly Miller**, Office for Education

Coffee hours are held in the Central Building's 4th Floor Board Room, 810 3rd Avenue (between Columbia & Marion streets). Each event begins at 10 a.m. and lasts one hour. Coffee and cookies served. For more information, call **206-684-0500** or go to www.seattle.gov/seniors on the Web.

Following the coffee hours, attend free noontime concerts and events at Seattle City Hall (600 4th Avenue, between Cherry & James Streets). For more information, contact Seattle Presents, Mayor's Office of Arts & Cultural Affairs, at **206-684-7171** or www.seattle.gov/arts.

Mark Your Calendar!



Senior Day at the Columbia Center

Date: **Sunday, September 20**

Time: **10 a.m. – 2 p.m.**

Place: **Columbia Center, 701 5th Ave. (5th & Columbia)**

Info: **206-684-0500** or seniors@seattle.gov

The Mayor's Office for Senior Citizens invites adults age 55+ to visit the Columbia Center (formerly the Columbia Seafirst Tower) to enjoy spectacular views from the 73rd floor observation deck. This event is free. Pre-registration not required. Wheelchair accessible.

Save a tree — receive Spotlight by e-mail!

Would you like to receive your Spotlight newsletter by e-mail in the future? If so, let us know! If not, we're still happy to mail it.

☐ **E-mail:** Please delete my name from the bulk mail distribution list and e-mail Spotlight in the future (e-mail address provided below)

☐ **US mail:** Please leave my name on the bulk mail distribution list.

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Please add my name to the ☐ e-mail or ☐ US mail list.

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Spotlight

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The Mayor's Office for Senior Citizens, part of Seattle/King County Aging and Disability Services and the Seattle Human Services Department, complies with all federal, state, and local laws prohibiting discrimination.

Accommodations for persons with disabilities will be provided upon request.

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Read the latest edition of **Spotlight**, the Mayor's Office for Senior Citizens' newsletter. In this issue:

- Helping our seniors in a difficult economy
- The self-sufficiency calculator works for everyone
- Improve your credit reports and credit scores
- Updating your will
- Struggling to make ends meet? Learn new collection relief and debt strategies
- How to live cheap but good!
- Tips for successful downsizing